# MARYLAND HEALTH CARE COMMISSION

**Docket No. 09-03-2297**
**Docketed: September 11, 2009**

## OTHER THAN HOSPITAL AND COMPREHENSIVE/ EXTENDED CARE SERVICES APPLICATION FOR CERTIFICATE OF NEED

***ALL PAGES THROUGHOUT THE APPLICATION SHOULD BE NUMBERED CONSECUTIVELY.***

### PART I - PROJECT IDENTIFICATION AND GENERAL INFORMATION

1.a. Associated Catholic Charities, Inc.
Legal Name of Project Applicant
(i.e. Licensee or Proposed Licensee)

b. 320 Cathedral Street
Street

c. Baltimore MD 21201
City Zip County

d. 410-547-5490
Telephone No.

e. William McCarthy
Name of Owner/Chief Executive

2.a. N/A

Legal Name of Project Co-Applicant
(i.e. if more than one applicant)

b.
Street

c.
City Zip County

d.
Telephone

e.
Name of Owner/Chief Executive

3.a. Villa Maria
Name of Facility

b. 2300 Dulaney Valley Road
Street (Project Site)

c. Timonium MD 21093 Baltimore
City Zip County

4.
Name of Owner (if different than applicant)

5.a. N/A

Representative of
Co-Applicant

b.
Street

c.
City Zip County

d.
Telephone

6. Person(s) to whom questions regarding this application should be directed: (Attach sheets if additional persons are to be contacted)

| | |
|---|---|
| a. Mark E. Greenberg, LCSW-C, Director<br>Child and Family Services Division<br>Name and Title | a. Jack C. Tranter<br>Name and Title<br>Gallagher Evelius & Jones LLP |
| b. 2300 Dulaney Valley Road<br>Street | b. 218 N. Charles Street, Suite 400<br>Street |
| c. Timonium MD 21093 Baltimore<br>City Zip County | c. Baltimore MD 21201<br>City Zip County |
| d. 410-252-4700 x101<br>Telephone No. | d. 410-727-7702<br>Telephone No. |
| e. _____<br>Fax No. | e. 410-468-2786<br>Fax No. |

7. Brief Project Description (for identification only; see also item #14):
Relocation of 52 residential treatment center beds currently operated at Villa Maria to existing space at St. Vincent's Center, a licensed residential childcare facility.

8. Legal Structure of Licensee (check one from each column):

| a. | b. | c. |
|---|---|---|
| Governmental ___ | Sole Proprietorship ___ | To be Formed ___ |
| Proprietary ___ | Partnership ___ | Existing X |
| Nonprofit X | Corporation X | |
| | Subchapter "S" ___ | |

9. Project Services (check below, if applicable):

| Service | Included in Project |
|---|---|
| ICF-MR | |
| ICF-C/D | |
| Home Health Agency | |
| Residential Treatment Center | X |
| Ambulatory Surgery | |
| Other (Specify) | |
| | |

10. Current Capacity and Proposed Changes:

| Service | Unit Description | Currently Licensed/ Certified | Units to be Added or Reduced[1] | Total Units if Project is Approved |
|---|---|---|---|---|
| ICF-MR | Beds | ____/____ | | |
| ICF-C/D | Beds | ____/____ | | |
| Residential Treatment | Beds | 95 / 95 | | 95 |
| Ambulatory Surgery | Operating Rooms | | | |
| | Procedure Rooms | | | |
| Home Health Agency | Counties | ____/____ | | |
| Hospice Program | Counties | ____/____ | | |
| Other (Specify) | | | | |
| TOTAL | | | | |

11. Project Location and Site Control:

A. Site Size 43 acres

B. Have all necessary State and Local land use approvals, including zoning, for the project as proposed been obtained? YES X NO _____ (If NO, describe below the current status and timetable for receiving necessary approvals.)

C. Site Control:

(1) Title held by: Associated Catholic Charities, Inc.

(2) Options to purchase held by: _____
(i) Expiration Date of Option _____
(ii) Is Option Renewable? _____ If yes, Please explain

_____

_____

(iii) Cost of Option _____

(3) Land Lease held by: _____

(i) Expiration Date of Lease _____

(ii) Is Lease Renewable _____ If yes, please explain

_____

_____

(iii) Cost of Lease _____

(4) Option to lease held by: _____

(i) Expiration date of Option _____

(ii) Is Option Renewable?_____ If yes, please explain

_____

_____

(iii) Cost of Option _____

(5) If site is not controlled by ownership, lease, or option, please explain how site control will be obtained_____

_____

**(INSTRUCTION: IN COMPLETING ITEMS 12, 13 & 14, PLEASE NOTE APPLICABLE PERFORMANCE REQUIREMENT TARGET DATES SET FORTH IN COMMISSION REGULATIONS, COMAR 10.24.01.12)**

12. Project Implementation Target Dates (for construction or renovation projects):

A. Obligation of Capital Expenditure <1 month from approval date.
B. Beginning Construction <1 month from capital obligation.
C. Pre-Licensure/First Use <1 month from capital obligation.
D. Full Utilization <12[2] month from first use.

13. Project Implementation Target Dates (for projects not involving construction or renovations):

A. Obligation of Capital Expenditure _____ months from approval date.
B. Pre-Licensure/First Use _____ months from capital obligation.
C. Full Utilization _____ months from first use.

14. Project Implementation Target Dates (for projects not involving capital expenditures):

A. Obligation of Capital Expenditure _____ months from approval date.

[2] Minor renovations are necessary to relocate 52 Villa Maria RTC beds to existing space in four cottages at St. Vincent's Center. Villa Maria residents will relocate to St. Vincent's, one cottage at a time, after minor renovations described in this application are performed. After a cottage is vacant and the renovations are complete, Villa Maria residents will relocate to that cottage. This process will continue until Villa Maria residents relocate to four cottages on the SVC campus.

B. Pre-Licensure/First Use _____ months from capital obligation.
C. Full Utilization _____ months from first use.

15. Project Description:
Provide a summary description of the project's construction and renovation plan and all medical services to be establish, expanded, or otherwise affected if the project receives approval. Please attach this description as a separate sheet or section to your application.

Associated Catholic Charities proposes to relocate 52 Villa Maria RTC beds from their current location to space that will be made available at St. Vincent's Center ("SVC"), as a result of a declining census at SVC. Catholic Charities proposes to relocate RTC beds to SVC because the cottages at SVC are newer than the structure where RTC services are currently provided. Only minor renovations to the existing space at SVC is required, including: (1) window replacement; (2) installation of break away shower bars; (3) installation of electronic locking system and security cameras; (4) modification of the existing sprinkler system to recess the sprinkler heads; and (5) telephone and data additions.

Catholic Charities originally planned to close SVC, anticipating that SVC's census would decline to zero as a result of policy changes made by the Maryland Department of Human Resources that would eliminate referrals to SVC. However, that situation has changed and Catholic Charities needs to retain two cottages (25 beds) for future referrals to SVC. The decision to serve the majority of the RTC population in four cottages on the SVC campus will mean that Catholic Charities can take advantage of the newly renovated facility at SVC to provide an enhanced therapeutic milieu which will include individual bedrooms for most of the children Villa Maria serves.

16. Project Drawings:

Projects involving renovations or new construction should include architectural schematic drawings or plans outlining the current facility (if applicable), the new facility (if applicable) and the proposed new configuration for inpatient facilities. These drawings should include:

1) the number and location of nursing stations,
2) approximate room sizes,
3) number of beds to a room,
4) number and location of bath rooms,
5) any proposed space for future expansion, and
6) the "footprint" and location of the facility on the proposed or existing site.

For free-standing (including office-based) ambulatory surgical facilities, these drawings should include:

1) dimensions of major architectural features and equipment of all operating rooms and procedure rooms, existing and proposed,
2) clear demarcation of restricted sterile corridor,
3) any proposed space for future expansion, and
4) the "footprint" and location of the facility on the proposed or existing site.

*See*, Exhibit 2.

17. Features of Project Construction:

A. Please Complete **"CHART 1. PROJECT CONSTRUCTION CHARACTERISTICS"** describing the applicable characteristics of the project, if the project involves new construction.

B. Explain any plans for bed expansion subsequent to approval which are incorporated in the project's construction plan.

Catholic Charities will consider relocating RTC beds to the remaining two cottages at SVC if those 25 beds are no longer needed to serve children referred to SVC. If this occurs, Catholic Charities will temporarily delicense its remaining 18 RTC beds [95-(52+25)=18) beds and no longer provide care at Villa Maria's current location.

C. Please discuss the availability of utilities (water, electricity, sewage, etc.) for the proposed project, and the steps that will be necessary to obtain utilities.

Utilities are available

| Chart 1. Project Construction Characteristics and Costs[3] | | |
|---|---|---|
| Base Building Characteristics | Complete if Applicable | |
| | New Construction | Renovation |
| Class of Construction | | |
| Class A | | |
| Class B | | |
| Class C | | |
| Class D | | |
| Type of Construction/Renovation | | |
| Low | | |
| Average | | |
| Good | | |
| Excellent | | |
| Number of Stories | | |
| | | |
| Total Square Footage | | |
| Basement | | |
| First Floor | | |
| Second Floor | | |
| Third Floor | | |
| Fourth Floor | | |
| Perimeter in Linear Feet | | |
| Basement | | |
| First Floor | | |
| Second Floor | | |
| Third Floor | | |
| Fourth Floor | | |
| Wall Height (floor to eaves) | | |
| Basement | | |
| First Floor | | |
| Second Floor | | |
| Third Floor | | |
| Fourth Floor | | |
| | | |
| Elevators | | |
| Type *Passenger* *Freight* | | |
| Number | | |
| Sprinklers (Wet or Dry System) | | |
| Type of HVAC System | | |
| Type of Exterior Walls | | |

[3] As this project only involves minor renovations to SVC, an existing residential childcare facility, the information requested by Chart 1 is irrelevant and has not been provided.

| Chart 1. Project Construction Characteristics and Costs (cont.) | | |
|---|---|---|
| | Costs | Costs |
| Site Preparation Costs | $ | $ |
| Normal Site Preparation* | | |
| Demolition | | |
| Storm Drains | | |
| Rough Grading | | |
| Hillside Foundation | | |
| Terracing | | |
| Pilings | | |
| Offsite Costs | $ | $ |
| Roads | | |
| Utilities | | |
| Jurisdictional Hook-up Fees | | |
| Signs | $ | $ |
| Landscaping | $ | $ |

*As defined by Marshall Valuation Service. Copies of the definitions may be obtained by contacting staff of the Commission.

**PART II - PROJECT BUDGET**

**INSTRUCTION: All estimates for 1.a.-d., 2.a.-j., and 3 are for current costs as of the date of application submission and should include the costs for all intended construction and renovations to be undertaken. (DO NOT CHANGE THIS FORM OR ITS LINE ITEMS. IF ADDITIONAL DETAIL OR CLARIFICATION IS NEEDED, ATTACH ADDITIONAL SHEET.)**

**A. Use of Funds**

1. Capital Costs:

| | | |
|---|---|---|
| a. | New Construction | $ _____ |
| (1) | Building | _____ |
| (2) | Fixed Equipment (not included in construction) | _____ |
| (3) | Land Purchase | _____ |
| (4) | Site Preparation | _____ |
| (5) | Architect/Engineering Fees | _____ |
| (6) | Permits, (Building, Utilities, Etc) | _____ |
| **SUBTOTAL** | | $ _____ |
| b. | Renovations | |
| (1) | Building | $ 150,000 |
| (2) | Fixed Equipment (not included in construction) | 100,000 |
| (3) | Architect/Engineering Fees | _____ |
| (4) | Permits, (Building, Utilities, Etc.) | _____ |
| **SUBTOTAL** | | $ 250,000 |
| c. | Other Capital Costs | |
| (1) | Major Movable Equipment | _____ |
| (2) | Minor Movable Equipment | _____ |
| (3) | Contingencies | _____ |
| (4) | Other (Specify) | _____ |
| **TOTAL CURRENT CAPITAL COSTS** (a - c) | | $ _____ |
| d. | Non Current Capital Cost | |
| (1) | Interest (Gross) | $ _____ |
| (2) | Inflation (state all assumptions, Including time period and rate) | $ _____ |
| **TOTAL PROPOSED CAPITAL COSTS** (a - d) | | $ 250,000 |

2. Financing Cost and Other Cash Requirements:

| | | |
|---|---|---|
| a. | Loan Placement Fees | $ _____ |
| b. | Bond Discount | _____ |
| c. | Legal Fees (CON Related) | _____ |
| d. | Legal Fees (Other) | _____ |
| e. | Printing | _____ |
| f. | Consultant Fees | |
| | CON Application Assistance | _____ |
| | Other (Specify) | _____ |
| g. | Liquidation of Existing Debt | _____ |
| h. | Debt Service Reserve Fund | _____ |
| i. | Principal Amortization Reserve Fund | _____ |
| j. | Other (Specify) | _____ |
| | **TOTAL (a - j)** | $ _____ |

3. Working Capital Startup Costs $ _____

**TOTAL USES OF FUNDS (1 - 3)** $ _____

**B. Sources of Funds for Project:**

| | | |
|---|---|---|
| 1. | Cash | 250,000 |
| 2. | Pledges: Gross _____, less allowance for uncollectables _____ = Net | _____ |
| 3. | Gifts, bequests | _____ |
| 4. | Interest income (gross) | _____ |
| 5. | Authorized Bonds | _____ |
| 6. | Mortgage | _____ |
| 7. | Working capital loans | _____ |
| 8. | Grants or Appropriation | |
| | (a) Federal | _____ |
| | (b) State | _____ |
| | (c) Local | _____ |
| 9. | Other (Specify) | _____ |

**TOTAL SOURCES OF FUNDS (1-9)** $ _____

Lease Costs:

| | | | |
|---|---|---|---|
| a. Land | $_____ | x _____ | = $_____ |
| b. Building | $_____ | x _____ | = $_____ |
| c. Major Movable Equipment | $_____ | x _____ | = $_____ |
| d. Minor Movable Equipment | $_____ | x _____ | = $_____ |
| e. Other (Specify) | $_____ | x _____ | = $_____ |

**PART III - CONSISTENCY WITH REVIEW CRITERIA AT COMAR 10.24.01.08G(3):**

**(INSTRUCTION: Each applicant must respond to all applicable criteria included in COMAR 10.24.01.08G. Each criterion is listed below.)**

10.24.01.08G(3)(a). The State Health Plan.

List each standard from the applicable chapter of the State Health Plan and provide a direct, concise response explaining the project's consistency with that standard. In cases where standards require specific documentation, please include the documentation as a part of the application. **(Copies of the State Health Plan are available from the Commission. Contact the Staff of the Commission to determine which standards are applicable to the Project being proposed.)**

10.24.01.08G(3)(b). Need.

*For purposes of evaluating an application under this subsection, the Commission shall consider the applicable need analysis in the State Health Plan. If no State Health Plan need analysis is applicable, the Commission shall consider whether the applicant has demonstrated unmet needs of the population to be served, and established that the proposed project meets those needs.*

Please discuss the need of the population served or to be served by the Project.

Responses should include a quantitative analysis that, at a minimum, describes the Project's expected service area, population size, characteristics, and projected growth. For applications proposing to address the need of special population groups identified in this criterion, please specifically identify those populations that are underserved and describe how this Project will address their needs.

The 52 RTC beds Villa Maria proposes to relocate to SVC are existing beds. The remaining 43 RTC beds currently licensed at Villa Maria will continue in operation.

[(INSTRUCTION: Complete Table 1 for the Entire Facility, including the proposed project, and Table 2 for the proposed project only using the space provided on the following pages. Only existing facility applicants should complete Table 1. All Applicants should complete Table 2. Please indicate on the Table if the reporting period is Calendar Year (CY) or Fiscal Year (FY)]

**TABLE 1: STATISTICAL PROJECTIONS - ENTIRE FACILITY**

| | Two Most Actual Ended Recent Years | | Current Year Projected | Projected Years (ending with first full year at full utilization) | | | |
|---|---|---|---|---|---|---|---|
| CY or **FY** (Circle) | 2008 | 2009 | 2010 | 2011 | 2012 | 20___ | 20___ |
| 1. Admissions | | | | | | | |
| a. ICF-MR | | | | | | | |
| b. RTC-Residents | 60 | 48 | 50 | 80 | 80 | | |
| Day Students | | | | | | | |
| c. ICF-C/D | | | | | | | |
| d. Other (Specify) | | | | | | | |
| e. TOTAL | 60 | 48 | 50 | 80 | 80 | | |
| 2. Patient Days | | | | | | | |
| a. ICF-MR | | | | | | | |
| b. RTC-Residents[1] | 31,517 | 29,264 | 23,508 | 23,915 | 23,915 | | |
| c. ICF-C/D | | | | | | | |
| d. Other (Specify)[2] | 205 | 251 | 222 | 140 | 130 | | |
| e. TOTAL | 31,722 | 29,515 | 23,730 | 24,055 | 24,045 | | |

[1] The days listed in Section 2(b) are the days a resident spends at Villa Maria. If a resident goes home for a few days and returns, the days at home are not included.

[2] Respite care days.

| Table 1 Cont. | Two Most Actual Ended Recent Years | | Current Year Projected | Projected Years (ending with first full year at full utilization) | | | |
|---|---|---|---|---|---|---|---|
| CY or **FY** (Circle) | 2008 | 2009 | 2010 | 2011 | 2012 | 20___ | 20___ |
| 3. Average Length of Stay | | | | | | | |
| a. ICF-MR | | | | | | | |
| b. RTC-Residents | 13 months | 13 months | 12 months | 9 months | 9 months | | |
| c. ICF-C/D | | | | | | | |
| d. Other (Specify) | | | | | | | |
| e. TOTAL | 13 months | 13 months | 12 months | 9 months | 9 months | | |
| | | | | | | | |
| 4. Occupancy Percentage* | | | | | | | |
| a. ICF-MR | | | | | | | |
| b. RTC-Residents | 91.5% | 85.1% | 68.4% | 69.4% | 69.3 % | | |
| c. ICF-C/D | | | | | | | |
| d. Other (Specify) | | | | | | | |
| e. TOTAL | 91.5% | 85.1% | 68.4% | 69.4% | 69.3% | | |
| | | | | | | | |
| 5. Number of Licensed Beds* | | | | | | | |
| a. ICF-MR | | | | | | | |
| b. RTC-Residents | 95 | 95 | 95 | 95 | 95 | | |
| c. ICF-C/D | | | | | | | |
| d. Other (Specify) | | | | | | | |
| e. TOTAL | 95 | 95 | 95 | 95 | 95 | | |
| | | | | | | | |
| 6. Home Health Agencies | | | | | | | |
| a. SN Visits | | | | | | | |
| b. Home Health Aide | | | | | | | |
| c. Other Staff | | | | | | | |
| d. | | | | | | | |
| e. Total patients srvd. | | | | | | | |

| Table 1 Cont. | Two Most Actual Ended Recent Years | | Current Year Projected | Projected Years (ending with first full year at full utilization) | | | |
|---|---|---|---|---|---|---|---|
| CY or **FY** (Circle) | 20___ | 20___ | 20___ | 20___ | 20___ | 20___ | 20___ |
| 7. Hospice Programs | | | | | | | |
| a. SN visits | | | | | | | |
| b. Social work visits | | | | | | | |
| c. Other staff visits | | | | | | | |
| d. | | | | | | | |
| e. Total patients srvd. | | | | | | | |
| | | | | | | | |
| 8. Ambulatory Surgical Facilities | | | | | | | |
| a. Number of operating rooms (ORs) | | | | | | | |
| • Total Procedures in ORs | | | | | | | |
| • Total Cases in ORs | | | | | | | |
| • Total Surgical Minutes in ORs** | | | | | | | |
| b. Number of Procedure Rooms (PRs) | | | | | | | |
| • Total Procedures in PRs | | | | | | | |
| • Total Cases in PRs | | | | | | | |
| • Total Minutes in PRs** | | | | | | | |

*Number of beds and occupancy percentage should be reported on the basis of licensed beds.
**Do not include turnover time.

**TABLE 2: STATISTICAL PROJECTIONS - PROPOSED PROJECT**
**(INSTRUCTION: All applicants should complete this table.)**

| | Projected Years (Ending with first full year at full utilization) | | | |
|---|---|---|---|---|
| CY or **FY** (Circle) | 2011 | 2012 | 20___ | 20___ |
| 1. Admissions | | | | |
| a. ICF-MR | | | | |
| b. RTC-Residents | 80 | 80 | | |
| Day Students | | | | |
| c. ICF-C/D | | | | |
| d. Other (Specify) | | | | |
| e. TOTAL | 80 | 80 | | |
| | | | | |
| 2. Patient Days | | | | |
| a. ICF-MR | | | | |
| b. Residential Treatment Ctr. | 23,915 | 23,915 | | |
| c. ICF-C/D | | | | |
| d. Other (Specify) | 140 | 130 | | |
| e. TOTAL | 24,055 | 24,045 | | |
| | | | | |
| 3. Average Length of Stay | | | | |
| a. ICF-MR | | | | |
| b. Residential Treatment Ctr. | 9 months | 9 months | | |
| c. ICF-C/D | | | | |
| d. Other (Specify) | | | | |
| e. TOTAL | 9 months | 9 months | | |
| | | | | |
| 4. Occupancy Percentage | | | | |
| a. ICF-MR | | | | |
| b. Residential Treatment Ctr. | 69.4% | 69.3% | | |
| c. ICF-C/D | | | | |
| d. Other (Specify) | | | | |
| e. TOTAL | 69.4% | 69.3% | | |

(1) These are billable days therefore exclude therapeutic leave days.

| Table 2 Cont. | Projected Years (Ending with first full year at full utilization) | | | |
|---|---|---|---|---|
| CY or **FY** (Circle) | 2011 | 2012 | 20___ | 20___ |
| 5. Number of Licensed Beds | | | | |
| a. ICF-MR | | | | |
| b. Residential Treatment Ctr. | 95 | 95 | | |
| c. ICF-C/D | | | | |
| d. Other (Specify) | | | | |
| e. TOTAL | 95 | 95 | | |
| | | | | |
| 6. Home Health Agencies | | | | |
| a. SN Visits | | | | |
| b. Home Health Aide | | | | |
| c. | | | | |
| d. | | | | |
| e. Total patients served | | | | |
| | | | | |
| 7. Hospice Programs | | | | |
| a. SN Visits | | | | |
| b. Social work visits | | | | |
| c. Other staff visits | | | | |
| d. Total patients served | | | | |
| | | | | |
| 8. Ambulatory Surgical Facilities | | | | |
| a. Number of operating rooms (ORs) | | | | |
| • Total Procedures in ORs | | | | |
| • Total Cases in ORs | | | | |
| • Total Surgical Minutes in ORs** | | | | |
| b. Number of Procedure Rooms (PRs) | | | | |
| • Total Procedures in PRs | | | | |
| • Total Cases in PRs | | | | |
| • Total Minutes in PRs** | | | | |

*Do not include turnover time

10.24.01.08G(3)(c). Availability of More Cost-Effective Alternatives.

*For purposes of evaluating an application under this subsection, the Commission shall compare the cost-effectiveness of providing the proposed service through the proposed project with the cost-effectiveness of providing the service at alternative existing facilities, or alternative facilities which have submitted a competitive application as part of a comparative review.*

Please explain the characteristics of the Project which demonstrate why it is a less costly or a more effective alternative for meeting the needs identified.

For applications proposing to demonstrate superior patient care effectiveness, please describe the characteristics of the Project that will assure the quality of care to be provided. These may include, but are not limited to: meeting accreditation standards, personnel qualifications of caregivers, special relationships with public agencies for patient care services affected by the Project, the development of community-based services or other characteristics the Commission should take into account.

Catholic Charities' objective in relocating 52 RTC beds to the SVC campus is to take advantage of the newly renovated facility at SVC to provide and enhanced therapeutic milieu that includes individual bedrooms for most of the children that Villa Maria serves. An alternative to proceeding in this manner would be to retain all 95 RTC beds at their current location and upgrade the existing facility. The cost of proceeding in this manner (approximately $10,000,000) is significantly greater than spending $250,000 to upgrade existing space that will become available and would otherwise be vacant as a result of the declining census at SVC.

10.24.01.08G(3)(d). Viability of the Proposal.

*For purposes of evaluating an application under this subsection, the Commission shall consider the availability of financial and non-financial resources, including community support, necessary to implement the project within the time frame set forth in the Commission's performance requirements, as well as the availability of resources necessary to sustain the project.*

Please include in your response:

a. Audited Financial Statements for the past two years. In the absence of audited financial statements, provide documentation of the adequacy of financial resources to fund this project signed by a Certified Public Accountant who is not directly employed by the applicant. The availability of each source of funds listed in Part II, B. Sources of Funds for Project, must be documented.

*See*, Exhibit 5.

b. Existing facilities shall provide an analysis of the probable impact of the Project on the costs and charges for services at your facility.

This project will have no impact on charges. Per capita cost will change, however, due to a lower census and higher fixed costs, including the additional depreciation associated with the renovations at St. Vincent's Center.

c. A discussion of the probable impact of the Project on the cost and charges for similar services at other facilities in the area.

Implementation of this project will have no impact on charges or costs at other residential treatment centers.

d. All applicants shall provide a detailed list of proposed patient charges for affected services.

*See*, Exhibit 6.

**(INSTRUCTIONS: Table 3, "Revenue and Expenses - Entire Facility (including the proposed project)" is to be completed by existing facility applicants only. Applicants for new facilities should not complete Table 3. Table 4, "Revenues and Expenses - Proposed Project," is to be completed by each applicant for the proposed project only. Table 5, "Revenues and Expenses (for the first full year of utilization", is to be completed by each applicant for each proposed service in the space provided. Specify whether data are for calendar year or fiscal year. All projected revenue and expense figures should be presented in current dollars. Medicaid revenues for all years should be calculated on the basis of Medicaid rates and ceilings in effect at the time of submission of this application. Specify sources of non-operating income. State the assumptions used in projecting all revenues and expenses.)**

**TABLE 3: REVENUES AND EXPENSES - ENTIRE FACILITY** (including proposed project) **(INSTRUCTION: ALL EXISTING FACILITY APPLICANTS MUST SUBMIT AUDITED FINANCIAL STATEMENTS)** Note: The financial information presented below is only for the Villa Maria Residential Treatment Center. Villa Maria is part of Catholic Charities and its financial performance is included in Catholic Charities' audited financial statements.

| | Two Most Actual Ended Recent Years | | Current Year Projected | Projected Years (ending with first full year at full utilization) | | | |
|---|---|---|---|---|---|---|---|
| CY or FY (Circle) | 2008 | 2009 | 2010 | 2011 | 2012 | 20___ | 20-___ |
| | | | | | | | 1. Revenue |
| a. Inpatient services | 12,965,773 | 12,755,306 | 10,705,700 | 12,273,820 | 12,632,550 | | |
| b. Outpatient services | 0 | 0 | 0 | 0 | 0 | | |
| c. Gross Patient Service Revenue | 12,965,773 | 12,755,306 | 10,705,700 | 12,273,820 | 12,632,550 | | |
| d. Allowance for Bad Debt | 0 | 0 | 0 | 0 | 0 | | |
| e. Contractual Allowance | 0 | 0 | 0 | 0 | 0 | | |
| f. Charity Care | 0 | 0 | 0 | 0 | 0 | | |
| g. Net Patient Services Revenue | 12,965,773 | 12,755,306 | 10,705,700 | 12,273,820 | 12,632,550 | | |
| h. Other Operating Revenues/ *See,* Exhibit 3 | 318,134 | 442,016 | 259,240 | 178,850 | 178,850 | | |
| i. Net Operating Revenue | 13,283,907 | 13,197,322 | 10,964,940 | 12,452,670 | 12,811,400 | | |

| Table 3 Cont. | Two Most Actual Ended Recent Years | | Current Year Projected | Projected Years (ending with first full year at full utilization) | | | |
|---|---|---|---|---|---|---|---|
| CY or **FY** (Circle | 2008 | 2009 | 2010 | 2011 | 2012 | 20___ | 20___ |
| 2. Expenses | | | | | | | |
| a. Salaries, Wages, and Professional Fees, (including fringe benefits) | 10,365,656 | 10,643,851 | 9,514,600 | 9,557,990 | 9,774,380 | | |
| b. Contractual Services | 0 | 0 | 0 | 0 | 0 | | |
| c. Interest on Current Debt | 20,615 | 9,599 | 3,240 | 87,560 | 87,560 | | |
| d. Interest on Project Debt | 0 | 0 | 0 | 0 | 0 | | |
| e. Current Depreciation | 335,495 | 344,454 | 335,860 | 314,750 | 314,750 | | |
| f. Project Depreciation | 0 | 0 | 0 | | 20,000 | | |
| g. Current Amortization | 1,655 | 1,655 | 1,650 | 1,650 | 1,650 | | |
| h. Project Amortization | 0 | 0 | 0 | 0 | 0 | | |
| i. Supplies | 831,849 | 844,272 | 747,550 | 791,020 | 810,800 | | |
| j. Other Expenses/ *See,* Exhibit 4 | 2,246,605 | 2,135,510 | 1,778,780 | 1,822,130 | 1,877,210 | | |
| k. Total Operating Expenses | 13,801,875 | 13,979,341 | 12,381,680 | 12,575,100 | 12,886,350 | | |
| 3. Income | | | | | | | |
| a. Income from Operation | (517,968) | (782,019) | (1,416,740) | (122,430) | (74,950) | | |
| b. Non-Operating Income | 0 | 0 | 0 | 0 | 0 | | |
| c. Subtotal | (517,968) | (782,019) | (1,416,740) | (122,430) | (74,950) | | |
| d. Income Taxes | 0 | 0 | 0 | 0 | 0 | | |
| e. Net Income (Loss) | (517,968) | (782,019) | (1,416,740) | (122,430) | (74,950) | | |

| Table 3 Cont. | Two Most Actual Ended Recent Years | | Current Year Projected | Projected Years (ending with first full year at full utilization) | | | |
|---|---|---|---|---|---|---|---|
| CY or **FY** (Circle) | 2008 | 2009 | 2010 | 2011 | 2012 | 20___ | 20___ |
| 4. Patient Mix:<br>A. Percent of Total Revenue | | | | | | | |
| 1. Medicare | | | | | | | |
| 2. Medicaid | 98.2% | 99.2% | 99.2% | 99.3% | 99.3% | | |
| 3. Blue Cross | | | | | | | |
| 4. Commercial Insurance | | | | | | | |
| 5. Self-Pay | | | | | | | |
| 6. Other (Respite) | 1.8% | 0.8% | 0.8% | 0.7% | 0.7% | | |
| 7. TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| | | | | | | | |
| B. Percent of Patient Days/Visits/Procedures (as applicable) | | | | | | | |
| 1. Medicare | | | | | | | |
| 2. Medicaid | 98.2% | 98.8% | 99.1% | 99.4% | 99.5% | | |
| 3. Blue Cross | | | | | | | |
| 4. Commercial Insurance | 1.2% | 0.3% | | | | | |
| 5. Self-Pay | | | | | | | |
| 6. Other (Specify)Respite | 0.6% | 0.9% | 0.9% | 0.6% | 0.5% | | |
| 7. TOTAL | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

## TABLE 4: REVENUES AND EXPENSES - PROPOSED PROJECT

**(INSTRUCTION: Each applicant should complete this table for the proposed project only)**

| | Projected Years (Ending with first full year at full utilization) | | | |
|---|---|---|---|---|
| CY or FY (Circle) | 2011 | 2012 | 20___ | 20___ |
| 1. Revenues | | | | |
| a. Inpatient Services | 12,273,820 | 12,632,550 | | |
| b. Outpatient Services | 0 | 0 | | |
| c. Gross Patient Services Revenue | 12,273,820 | 12,632,550 | | |
| d. Allowance for Bad Debt | 0 | 0 | | |
| e. Contractual Allowance | 0 | 0 | | |
| f. Charity Care | 0 | 0 | | |
| g. Net Patient Care Service Revenues | 12,273,820 | 12,632,550 | | |
| h. Total Net Operating Revenue | 12,273,820 | 12,632,550 | | |
| | | | | |
| 2. Expenses | | | | |
| a. Salaries, Wages, and Professional Fees, (including fringe benefits) | 9,557,990 | 9,774,380 | | |
| b. Contractual Services | 0 | 0 | | |
| c. Interest on Current Debt | 87,560 | 87,560 | | |
| d. Interest on Project Debt | 0 | 0 | | |
| e. Current Depreciation | 314,750 | 314,750 | | |
| f. Project Depreciation | 0 | 20,000 | | |
| g. Current Amortization | 1,650 | 1,650 | | |
| h. Project Amortization | 0 | 0 | | |
| i. Supplies | 791,020 | 810,800 | | |
| j. Other Expenses (Specify) | 1,822,130 | 1,877,210 | | |
| k. Total Operating Expenses | 12,575,100 | 12,886,350 | | |

| Table 4 Cont. | Projected Years (Ending with first full year at full utilization) | | | |
|---|---|---|---|---|
| CY or FY (Circle) | 2011 | 2012 | 20___ | 20___ |
| 3. Income | | | | |
| a. Income from Operation | (122,430) | (74,950) | | |
| b. Non-Operating Income | 0 | 0 | | |
| c. Subtotal | (122,430) | (74,950) | | |
| d. Income Taxes | 0 | 0 | | |
| e. Net Income (Loss) | (122,430) | (74,950) | | |
| | | | | |
| 4. Patient Mix:<br>A. Percent of Total Revenue | | | | |
| 1. Medicare | | | | |
| 2. Medicaid | 99.3% | 99.3% | | |
| 3. Blue Cross | | | | |
| 4. Commercial Insurance | | | | |
| 5. Self-Pay | | | | |
| 6. Other (Specify) Respite | 0.7% | 0.7% | | |
| 7. TOTAL | 100% | 100% | 100% | 100% |
| | | | | |
| 5. Ambulatory Surgical Facilities | | | | |
| 1. Medicare | | | | |
| 2. Medicaid | | | | |
| 3. Blue Cross | | | | |
| 4. Commercial Insurance | | | | |
| 5. Self-Pay | | | | |
| 6. Other (Specify) | | | | |
| 7. TOTAL | 100% | 100% | 100% | 100% |

10.24.01.08G(3)(e). Compliance with Conditions of Previous Certificates of Need.

*To meet this subsection, an applicant shall demonstrate compliance with all conditions applied to previous Certificates of Need granted to the applicant.*

List all prior Certificates of Need that have been issued to the project applicant by the Commission since 1995, and their status.

No Certificates of Need have been issued to Associated Catholic Charities since 1995.

10.24.01.08G(3)(f). Impact on Existing Providers.

*For evaluation under this subsection, an applicant shall provide information and analysis with respect to the impact of the proposed project on existing health care providers in the service area, including the impact on geographic and demographic access to services, on occupancy when there is a risk that this will increase costs to the health care delivery system, and on costs and charges of other providers.*

Indicate the positive impact on the health care system of the Project, and why the Project does not duplicate existing health care resources. Describe any special attributes of the project that will demonstrate why the project will have a positive impact on the existing health care system.

Complete Table 5

1. an assessment of the sources available for recruiting additional personnel;

2. recruitment and retention plans for those personnel believed to be in short supply;

3. for existing facilities, a report on average vacancy rate and turnover rates for affected positions,

**(INSTRUCTION: FTE data shall be calculated as 2,080 paid hours per year. Indicate the factor to be used in converting paid hours to worked hours.**

## TABLE 5. MANPOWER INFORMATION

**(INSTRUCTION: List by service the staffing changes (specifying additions and/or deletions and distinguishing between employee and contractual services) required by this project.)**

| Position Title | Current No. FTEs | Change in FTEs (+/-) | Average Salary | Employee/ Contractual | TOTAL COST |
|---|---|---|---|---|---|
| **Administration** | | | | | |
| Administrator | 0.8 | 0.0 | $ 126,820 | Employee | $ 96,380 |
| Associate Administrator | 0.8 | (0.1) | $ 92,740 | Employee | 61,210 |
| Human Resource Manager/Coord. | 1.8 | (0.6) | $ 59,280 | Employee | 72,330 |
| Assistant Administrator | 0.6 | (0.3) | $ 94,880 | Employee | 32,260 |
| Director Volunteer Services | 0.6 | - | $ 65,670 | Employee | 37,430 |
| Information Systems | 2.1 | (0.9) | $ 51,160 | Employee | 57,300 |
| Quality Assurance/Training | 2.3 | 0.9 | $ 54,170 | Employee | 170,620 |
| Other | 3.8 | (0.5) | $ 40,510 | Employee | 134,080 |
| **Direct Care** | | | | | |
| Residential Treatment Counselors/ Supervisors | 67.9 | 0.6 | $ 31,060 | Employee | 2,127,070 |
| Director/Ass't. Director Residential Ser. | 1.8 | 1.0 | $ 74,800 | Employee | 208,690 |
| Unit Directors | 7.8 | 0.2 | $ 56,620 | Employee | 452,950 |
| Night Child Care Workers | 24.1 | 0.2 | $ 29,890 | Employee | 727,430 |
| Psychiatrists | 1.3 | 0.2 | $ 182,970 | Employee | 270,790 |
| Nursing | 15.0 | (0.1) | $ 63,060 | Employee | 938,270 |
| Therapists/Psychologists | 9.1 | (0.1) | $ 49,630 | Employee | 446,650 |
| Behavioral Specialists | 11.3 | (0.7) | $ 39,610 | Employee | 419,840 |
| Other | 2.9 | 0.5 | $ 48,030 | Employee | 164,280 |
| **Support** | | | | | |
| Maintenance/Environmental Services | 14.1 | 1.5 | $ 33,510 | Employee | 521,340 |
| Clerical | 11.8 | (0.9) | $ 32,260 | Employee | 352,290 |
| Human Resources | 2.1 | (0.3) | $ 29,630 | Employee | 53,620 |
| Professional Fees - Various | | | | | 109,780 |
| | | | | Benefits | 2,319,770 |
| | | | | Total | $ 9,774,380 |

**(INSTRUCTION: Indicate method of calculating benefits percentage):**

Employee benefits, including the employer cost of FICA, health insurance, pension, and disability are charged to a program based on the cost of benefits for individual employees working in that program. The % used in this schedule is based on the anticipated cost of benefits in FY11, including inflation.

## PART IV - APPLICANT HISTORY, STATEMENT OF RESPONSIBILITY, AUTHORIZATION AND SIGNATURE

1. List the name and address of each owner or other person responsible for the proposed project and its implementation. If the applicant is not a natural person, provide the date the entity was formed, the business address of the entity, the identity and percentage of ownership of all persons having an ownership interest in the entity, and the identification of all entities owned or controlled by each such person.

   Associated Catholic Charities, Inc.
   320 Cathedral Street
   Baltimore, Maryland 21201
   Contact : Mary Rode, Administrator

2. Is the applicant, or any person listed above now involved, or ever been involved, in the ownership, development, or management of another health care facility? If yes, provide a listing of each facility, including facility name, address, and dates of involvement.

   Associated Catholic Charities owns and operates St. Elizabeth Nursing and Rehabilitation Center, a 162-bed comprehensive care facility located in Baltimore County.

3. Has the Maryland license or certification of the applicant facility, or any of the facilities listed in response to Questions 1 and 2, above, ever been suspended or revoked, or been subject to any disciplinary action (such as a ban on admissions) in the last 5 years? If yes, provide a written explanation of the circumstances, including the date(s) of the actions and the disposition. If the applicant, owner or other person responsible for implementation of the Project was not involved with the facility at the time a suspension, revocation, or disciplinary action took place, indicate in the explanation.

   No.

4. Is any facility with which the applicant is involved, or has any facility with which the applicant or other person or entity listed in Questions 1 & 2, above, ever been found out of compliance with Maryland or Federal legal requirements for the provision of, payment for, or quality of health care services (other than the licensure or certification actions described in the response to Question 3, above) which have led to an action to suspend, revoke or limit the licensure or certification at any facility. If yes, provide copies of the findings of non-compliance including, if applicable, reports of non-compliance, responses of the facility, and any final disposition reached by the applicable governmental authority.

   No.

5. Has the applicant, or other person listed in response to Question 1, above, ever pled guilty to or been convicted of a criminal offense connected in any way with the ownership, development or management of the applicant facility or any health care facility listed in response to Question 1 & 2, above? If yes, provide a written explanation of the circumstances, including the date(s) of conviction(s) or guilty plea(s).

   No.

One or more persons shall be officially authorized in writing by the applicant to sign for and act for the applicant for the project which is the subject of this application. Copies of this authorization shall be attached to the application. The undersigned is the owner(s), or authorized agent of the applicant for the proposed or existing facility.

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information and belief.

_____ _____

Date Mark Greenberg